

Urban. Independent. All About San Antonio.

## Survey: Public Favors Police Paying Health Care Premiums

**By Robert Rivard** April 4, 2014

With police and fire fighter contracts expiring at the end of September, <u>negotiators for the City of San Antonio</u> and the <u>San Antonio Police Association</u> met Thursday around a long conference table in the old wing of the Henry B. Gonzalez Convention Center. It was a quiet, relatively subdued morning session as the city's lawyers presented proposed changes in the police contract while the union representatives mostly listened, their lawyer asking occasional questions.

The afternoon session was very different, marked by sharp exchanges as lawyers for the city laid out proposed changes to the health care plan, and a lawyer for the police union pushed back. The issue likely will intensify on April 15 when both sides will have an expert health care consultant make detailed presentations.

Meanwhile, one block away at the offices of the <u>San Antonio Chamber of Commerce</u>, officials called a 2 p.m. press conference to release a recently conducted survey of 500 households across the city that shows a strong majority of citizens want police and fire fighters to start paying 30 percent of their monthly health care insurance premiums.

Right now they pay nothing. No other Texas city offers a premium-free plan. And no other Texas city gives its uniformed personnel a plan superior to the one its gives civilian employees. San Antonio spends \$19,122 a year insuring each police officer and fire fighter, more than 2.5 times what it spends on civilian employees. In the end, uniformed personnel in San Antonio pay 9 percent of their health care costs out-of-pocket, while civilians pay 30 percent. The state average for a municipal employee is 36 percent and the national average is 43 percent.

The telephone survey was conducted March 4-6 by Austin-based <u>Baselice & Associates</u>, an opinion research firm that specializes in political and public policy issues. The margin of error on the survey was 4.4 percent, and 6.1 percent for s subset of 250 respondents who were asked follow-up questions.

Richard Perez, CEO of the San Antonio Chamber, said 57 percent of the people surveyed favored uniformed personnel paying monthly health care premiums, but that number rose to 65 percent when respondents were informed no other Texas city offers premium-free coverage to its uniformed employees.

"This is an incredibly important topic for our City with far-reaching financial implications, so we felt it was critical to gauge the sentiments of the San Antonio community on the topic," said Perez. "In fact, our members really wanted to know.

"I think the results of the survey are very solid, I think they're eye opening," said Perez. "I think they're an accurate reflection of where the community stands on the issue."

The Chamber has not taken an official position on the collective bargaining talks now underway between the city and the police union or talks expected to start soon with the fire fighters union. Chamber officials said they would meet with union representatives next week and vote on a position at the next board meeting in late April.

"The Chamber is looking at both sides of this situation very closely," said David McGee, the 2014 Chamber board chair and the president and CEO of Amegy Bank of Texas. "We want to hear all voices."

Given the Chamber's pro-business and fiscally conservative orientation, it would be surprising if the organization does not vote to support the city position.

At the foundation of the current contract negotiations is the warning that has been raised over several budget cycles in recent years by City Manager Sheryl Sculley that the city cannot sustain its current rate of public safety spending. San Antonio currently spends 65 percent of its General Fund budget, which is nearly \$1 billion, on uniformed personnel. That number was only 36 percent when the first collective bargaining agreement between the city and police and fire fighters in 1975-76. Other Texas cities spend substantially less.

Sculley told City Council last year that public safety costs would eat up 100 percent of the General Fund by 2031 at the current rate of growth in costs, driven by rising health care costs, and public safety retirement and pension obligations the city faces.

The matter is finally coming to a head as the current five-year contract nears an end. Mayor Julián Castro responded to Sculley's warnings by appointing the <u>City's Healthcare and Retirement Benefits Task Force</u> last August, which recently presented its report to City Council. Union representatives on the task force issue a minority report, but declined to present it to City Council and instead engaged in some name-calling directed against Sculley.

The unions have enjoyed the current level of benefits since 1988 when they won many of the concessions now at issue. In fairness to the rank and file and the union officials who represent them, no one wants to surrender benefits hard won 25 years ago.

There was no name calling Thursday, but several heated exchanges between Houston labor lawyer Jeff Londa, representing the city, and the union's chief negotiator, attorney Craig Deats, underscored the distance between the two sides on the issue of health care costs.

Londa said the city cannot sustain current spending levels, and police will have to start paying their fair share. Deats said the union is open to sharing health care costs, but not at the expense of reduced total compensation.

"A low-cost, high-benefit plan is not sustainable," Londa said. "I don't think it's responsible for the city to offer a plan that is atypical."

"You're saying you want carte blanche to raise premiums," Deats countered, adding that the city's civilian employees had seen rising premium costs eat up annual pay raises, leaving real compensation flat, an outcome the police union is unwilling to agree to.

Both sides agreed the rising cost of health care is a national problem, but there was no agreement on how to address it locally.

"We understand that," Deats said. "(The police) also are responsible citizens of this community."

City negotiators want more than health care insurance concessions. They also want to limit future tuition reimbursements to \$1,000 a year per police officer and require that the courses they study be directly related to law enforcement. One of the 17 "special pay" categories in the collective bargaining agreement

pays officers a monthly supplement that increases with the number of undergraduate and graduate credits and degrees earned.

Currently, tuition reimbursements lack that ceiling, and add up to annual cost exceeding \$320,000.

Deats said the city was "nickel and diming" the union.

"This is not a trivial sum to the citizens of San Antonio," Londa said. "I doubt the taxpayers want to pay for police to go to theology school or air conditioning school."

An oft-cited example by city negotiators is one officer who had \$17,000 in law school tuition at St. Mary's University covered by the city last year, along with others who are taking college courses in everything from theology, biology to air conditioning repair.

The police union transmitted its detailed proposals to city negotiators in the afternoon and those presumably will be the subject of next Monday's bargaining session. There was no common agreement reached by the two sides on the more than 30 different articles of the contract that came under discussion.

"Are there any things on the list you don't want to change?" a frustrated Deats asked as the session drew to a close.

"Yes, there's one: the no-strike clause," said Fort Worth labor lawyer Bettye Lynn, also hired by the city.